costs from the distributor's godown to each of the proposed subdistributors and sub-distributor's commission in the price would make the monitoring of end selling prices difficult.

(iv) It would be difficult to enforce the observance of safe practices by the FPS owners.

(v) The necessary infrastructure and expertise for attending to leakage complaints and other associated services would need to be developed at FPS.

At present, the OMCs are following the methodology given below for marketing domestic LPG in rural and far flung areas in the country:

(i) LPG cylinders are carreid to approved extension points operated by the distributor in the rural and far flung areas. Customers take refill supplies from these points.

(ii) Distributors' vehicle carrying filled cylinders go about covering various areas as per the required frequency for effecting supplies to customers. The retail selling price charged is based on the Government approved tariff structure for transportation.

Government have adivsed OMCs to draw up Marketing Plans for covering semi-urban and rural areas. OMCs have finalized a common industry marketing plan covering 791 locations including 126 locations in the State of Andhra Pradesh for setting up LPG distributorships mostly in rural locations.

Indo-lran pipeline project

2370. SHRI TARIQ ANWAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that instructions have been received from US officials on the Indo-lran Pipeline Project;

(b) if so, the details thereof; and

(c) in what manner Government are taking these instructions and what would be the impact on the deal?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) During visit of US Secretary of State Dr. Condoleezza Rice to India in March 2005, she told the media that the US had conveyed its concerns on the proposed gas pipeline cooperation between India and Iran. The US legal position on this issue flows from its Iran-Libya Sanctions Act (ILSA) of 1996 that provides for the imposition of sanctions against foreign companies that make an investment of more than US $ 20 million in one year in Iran's energy sector. No US official has, to date, directly stated that the proposed pipeline would be considered a violation of Iran-Libya Sanctions Act.

(c) The Government is pursuing the import of natural gas from Iran in national interest in order to meet the energy requirements of the country.

Oil production from Barmer-Sanchor basin

2371. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether ONGC is proposing to start oil production from Barmer-Sanchor basin in Rajasthan;

(b) if so, by when it is expected to start production;

(c) whether the State Government of Rajasthan is willing to have a refinery of 7.5 million tonne capacity in the above area.

(d) whether ONGC and other oil companies have asked the State Government to grant concessions and subsidies which are of abnormal nature;

(e) if so, whether Government have examined the concessions asked for by these companies and feel justified; and

(f) if so, whether these concessions are at par with Mo.Us already signed by Government?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Yes, Sir.

(b) First oil is expected in 2008-09.